

OWNER OCCUPIED HOUSING REHABILITATION PROGRAM

GUIDELINES

The Owner Occupied Housing Rehabilitation Program provides financial assistance to bring property up to decent, safe and sanitary housing standards; and correct all existing code violations. The financial assistance may not exceed the lesser of the actual cost of rehabilitation or \$15,000 for each dwelling unit. Applicants receiving financial assistance must be able to meet or exceed the decent, safe and sanitary housing standard after rehabilitation, in accordance with the South Florida Building Code, the Miami-Dade County Building Code, and the City of Miami Beach Code. Additionally, all projects must comply with all other applicable laws, rules, and regulations. This financial assistance program may be used in conjunction with any other assistance program in order to make rehabilitation feasible.

All applicants must satisfy the following requirements:

1. The applicant must be the owner and occupant of a residential property located in the City of Miami Beach and have resided on the property for 180 consecutive days prior to submitting an application.
2. The applicant may have a gross income of up to 80% of area median income as determined by U. S. Department of Housing and Urban Development (HUD).
3. The property must need repairs to meet the decent, safe and sanitary housing standard.
4. The applicant shall have adequate and sufficient evidence of clear title to the subject property.
5. Any and all past-due City, County, Federal and State taxes must be paid and any and all liens filed against the property for past-due taxes must be satisfied and or released.
6. The property must not have received assistance for housing rehabilitation from the City of Miami Beach, during the previous five years.
7. The property must conform to the zoning requirements and land use regulations of the City of Miami Beach.
8. An equitable owner pursuant to an executory or an installment land sales contract may be considered eligible if such eligibility requirements are satisfied.

ELIGIBLE COST

The actual cost of repairs includes the cost of replacement required to correct a hazardous condition or a code violation. All hazardous conditions must be corrected before any other work may be done.

1. The actual cost of rehabilitation necessary to bring the property up to the decent, safe and sanitary standard. (This is the mandatory minimum work required for any assistance).
2. The actual cost of rehabilitation necessary to bring the property to meet the minimum standards of the South Florida Building Code, the Miami-Dade County Building code, and the City of Miami Beach Code.
3. The cost of rehabilitation to correct or remove potential violations of code including all physical conditions of the property which, if not repaired, would in all likelihood deteriorate within two years to the point where the housing standards of the South Florida Building Code, or any other applicable code, would be violated.
4. The cost of general property improvements: Such improvements shall not be the major focus of the assistance and shall usually be less than forty (40%) percent of the cost of rehabilitation. Owner-supplied funds shall be excluded from such calculations. General property improvements may be included only if the minimum improvements required are satisfied.
5. The cost of building permits, related fees, and appraisals required to carryout the proposed rehabilitation.
6. The cost of architect and engineering fees up to ten percent (10%) of the total rehabilitation costs. The cost of the rehabilitation and all fees, excluding the developer fee, may not exceed \$15,000.
7. The cost of temporary relocation when it is deemed necessary during rehabilitation work.

INELIGIBLE COSTS

The following is a list of work or costs considered ineligible:

1. Extensive work tantamount to new construction or reconstruction of the property. (This does not exclude so-called "gut" rehabilitation of a property if necessary to meet the South Florida Building Code.)
2. General property improvements above those included in the maximum allowable assistance or otherwise inconsistent with the purpose and guidelines for general property improvements. (However, the owner may provide the difference in cost at the time of execution of the Agreement).
3. The construction and/or repair of swimming pools or jacuzzis.
4. Materials, fixtures, equipment or landscaping of a type or quality which substantially exceeds that customarily used in City of Miami Beach for properties of the same general

type as the property to be rehabilitated. (However, the owner may provide the difference between the cost of such materials, etc., as he desires at the time of execution of the Agreement.)

5. Purchase, repair and/or installation of furnishings.
6. Costs of acquisition of subject property.
7. Reimbursement for work completed prior to the approval of the application and/or prior to the execution of the Agreement.
8. Payment of any lien or judgment against the property including past-due taxes.
9. Any other cost or work performed that the City of Miami Beach deems ineligible.
10. The Cost of rehabilitation to convert a property by increasing or decreasing the number of units on the property.

GRANT/DEFERRED PAYMNET CONDITIONS

All homes that receive assistance under this program will have a lien placed on the property by the City of Miami Beach for the actual cost of rehabilitation, including any change orders.

FIVE YEAR LIEN

- a. A lien will be placed, by the City of Miami Beach, on the property for five (5) years following the completion of repairs.
- b. Every year on the anniversary of the completion of repairs, the amount of the lien will be reduced twenty (20%) percent. After five (5) years, the full amount of the lien will be released and discharged by the City of Miami Beach. If the property is sold or transferred during the five-year period and before the lien is released, the owner will be required to pay to the City of Miami Beach the balance due at the time of sale or transfer.

Requirements for all projects requiring the placement of a lien as described above:

1. The owner agrees to reside in the residence as his/her principal domicile and further agrees not to lease or rent the property to third parties for the duration of the lien.
2. Failure of the City of Miami Beach to exercise any option or penalty provided in these guidelines, or the Agreement, shall not be considered a waiver of such option or penalty.
3. If the property is inherited by a relative, legatee or beneficiary, the new owner will be required to comply with all the conditions under the program guidelines and the Agreement in order to benefit from the provisions of the program.

4. The owner agrees to properly maintain the property for the duration of the Agreement.

MAXIMUM PURCHASE PRICE

The maximum purchase price for a unit may not exceed that of the maximum purchase price set by the U. S. Department of Housing and Urban Development (HUD). The maximum purchase price for a unit is currently \$138,985. This figure is subject to adjustment by the U.S. HUD.

ANNUAL INCOME SCHEDULE (subject to adjustment by U.S. HUD).

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|-------------------|-------------------|
| 1 person \$27,000 | 5 People \$41,650 |
| 2 People \$30,850 | 6 People \$44,750 |
| 3 People \$34,700 | 7 People \$47,800 |
| 4 People \$38,550 | 8 People \$50,900 |

(80% of area median income)

Income reflected is maximum gross annual income allowed per household, based on family size.